

OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council was held on January 16, 2018 at the Spring Lake Park Community Center, 1301 81st Avenue N.E., at 7:00 P.M.

1. Call to Order

Mayor Hansen called the meeting to order at 7:00 P.M.

2. Roll Call

Members Present: Councilmembers Nelson, Wendling, Delfs, Goodboe-Bisschoff and Mayor Hansen

Members Absent: None

Staff Present: Building Official Brainard; Police Chief Ebeltoft; Parks and Recreation Director Rygwall; Attorney Thames; Administrator Buchholtz and Executive Assistant Gooden

Visitors: Paddy Jones, Ham Lake
Tiffany Kovaleski – BTYR-BHMC Coordinator
Doug Eischens, 8220 6th Street NE
Tim Faeber, 9031 Fillmore Street NE, Blaine
Tom Busch, 1006 103rd Avenue NE, Blaine
Rich Williams 557 78th Avenue NE
Rich Slomkowski – Suburban Ramsey County – BTYR
Yolanda Von Itter – FACS
Brad and Dana Povlitzki, Ham Lake, MN

3. Pledge of Allegiance

4. Additions or Corrections to Agenda

Administrator Buchholtz asked to remove Item 6E, Resolution 16-03 Denying Therapeutic Massage License, from the agenda as the applicant withdrew their application. He asked that Item 11G, Hy-Vee Lease, be added to the agenda.

Councilmember Goodboe-Bisschoff asked to remove Item 6G, Approval of Statement of Values Policy, from the agenda and asked that the item be discussed at a future Council workshop session.

5. Discussion From The Floor - None

6. Consent Agenda:

Mayor Hansen reviewed the following Consent Agenda items:

- A. Approval of Minutes – January 2, 2018
- B. Disbursements
 - 1. General Fund Disbursement Claim No. 17-23 -- \$161,990.80
 - 2. Liquor Fund Disbursement Claim No. 17-24 -- \$229,482.55
- C. Statement of Fund Balance/Budget to Date – December 2017

- D. Resolution 18-01 Authorizing Fund Closures and Transfers
- E. Dedication of Terrace East Field to Don Busch
- F. Approval of Dover Kennel Animal Control Contract
- G. Contractor's Licenses
- H. Business License – Massage Therapy
- I. Correspondence

MOTION BY COUNCILMEMBER WENDLING APPROVING THE CONSENT AGENDA. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

7. Presentation

A. Volunteer Appreciation Awards for Beyond the Yellow Ribbon Volunteers

Councilmember Nelson recognized volunteers from the Beyond the Yellow Ribbon Committee for their assistance with the monthly dinners held at Kraus-Hartig VFW. He provided each with a certificate of appreciation and provided gift cards for military families to be distributed by the Family Services division of the National Guard.

Mayor Hansen thanked Councilmember Nelson for all the work he does for the Beyond the Yellow Ribbon committee and for his time spent with the Committee.

8. Police Report

Police Chief Ebeltoft reviewed the December 2017 department statistics.

Chief Ebeltoft reported that the Police Department responded to five hundred ninety eight calls for service for the month of December 2017 compared to five hundred one calls for service in December 2016.

Chief Ebeltoft reported that the Spring Lake Park Police Reserve Unit currently consists of seven members and these seven members have contributed one thousand four hundred thirty one hours of service to our community and the surrounding communities. He stated that per the 2017 "Volunteer Value per hour for States", Minnesota values volunteer hours at \$26.40 per hour. He stated that this equates to a savings for the City and its residents of \$37,778.40 for the Reserve Units volunteer services and allows our Police Officers to be utilized more efficiently for providing service to our community and residents.

Chief Ebeltoft stated that the Spring Lake Park Police Department in its quest to keep the community as safe as possible, participated in the State/Federal program called TZD (Toward Zero Deaths) in 2017. He stated that this program is designed to address problematic driving behaviors on a national basis across our country to include but not limited to driving under the influence of alcohol/drugs, distracted driving and other unsafe behaviors exhibited by motor vehicle drivers and is a grant funded program. He reported that the Spring Lake Park Police Department was able to participate and work thirty separate shifts over the course of 2017. He stated that the Spring Lake Park Officers effected two hundred eighty nine traffic stops, issued two hundred eighteen traffic violation warnings along with issuing one hundred seventy nine traffic citations.

Chief Ebeltoft reported, in addition to addressing the day-to-day operations of the Department, he attended numerous meetings throughout the month representing Spring Lake Park Police Department and the City of Spring Lake Park.

9. Parks and Recreation Report

Parks and Recreation Director Rygwall reported that the Parks and Recreation Commission met and discussed the Turkey Shoot that took place in November, the renaming of the baseball field at Terrace Park and the location of a community garden. She explained that the garden could be constructed this winter out of pallets and placed at Sanburnol Park

Ms. Rygwall reviewed the department statistics and stated how successful the holiday cookie and spruce tip classes were. She reported that the first Tower Days planning meeting would be held on January 30. She stated that parade and vendor applications have already been received.

10. Ordinances and or/ResolutionsA. Resolution 18-02 Approving Hy-Vee First Addition of Spring Lake Park Flat

Administrator Buchholtz reported that the review of the Spring Lake Park Hy-Vee final plat has been completed. He stated that the final plat includes elements discussed as part of the preliminary platting process and the entire site is being platted into two lots. He stated that will be no easements along the internal lot line between the two lots.

Administrator Buchholtz stated that the plat as submitted does not include any internal easements. He reported that the applicant stated that the required internal easements will be added to the plat once final details on the locations of the pipes/facilities are determined. He stated that staff recommends approval with conditions outlined in the resolution.

MOTION MADE BY MAYOR HANSEN TO APPROVE RESOLUTION 18-02 APPROVING HY-VEE FIRST ADDITION OF SPRING LAKE PARK FINAL PLAT. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

11. New BusinessA. Approval of Liquor License Application – Sota Tap House and Grill

Administrator Buchholtz reported that the City of Spring Lake Park received a liquor license application from Bradley Povlitzki to open a new bar called the “Sota Tap House and Grill.” He stated that location of the Sota Tap House and Grill would be 8407 Plaza Boulevard NE, the same location as the former “Pov’s on 65.”

Administrator Buchholtz reported that, as part of the liquor licensing process, the City conducts a thorough background investigation of the applicant. He thanked Police Chief Ebeltoft for the significant amount of time he spent to put together a thorough background of the applicant.

Administrator Buchholtz stated that Mr. Povlitzski’s previous establishment, Pov’s Sports Bar, has a significant number of police calls between 2008 and 2011 (the last full year of operation), totaling 380 calls for service. He stated that this number of calls for service far exceeds the calls for service at any of the City’s licensed establishments. He noted that in addition to the high volume of calls, the severity of the calls were significant. He stated that, as Chief Ebeltoft notes in his memorandum, if Pov’s Sports Bar had been located in within the corporate limits of Spring Lake Park, its license would have been brought forward for review by the City Council under the provisions of Section 111.10 of the City Code.

Administrator Buchholtz reported that a copy of the background investigation report was sent to Mr. Povlitzki via certified mail on January 10, 2018 so that he would have the opportunity to review the information and respond to any questions the City Council may have.

Administrator Buchholtz stated that the City Council must make findings on the application in a way that is consistent with City Code, particularly Section 111.17 of the City's Liquor Regulations.

Brad Povlitzki presented the vision for the Sota Tap House and Grill. He stated that the new concept would be that of a sports bar with a family style feeling focusing on local breweries and food providers. He stated that the restaurant would cater to more families who are in the area for sporting events. He stated that half of the restaurant would be partitioned off for a banquet facility and entertainment would be brought in on selected nights.

Councilmember Wendling inquired how long the building has been empty and what type of remodeling will take place. Mr. Povlitzki stated that the building was been vacant for two years. He stated that most of the remodel will be a cosmetic updating of the building. He stated that this location would be a smaller scale than his previous Andover location.

Mr. Povlitzki reported that his name appeared on a trust along with his other family members for the existing Pov's on 65. He stated that he did not have any role in the operation of the location as he had his own bar that he was operating in Andover. He stated that he did on occasion come and assist his brother, Richard Povlitzki, at this location when help was needed. He noted that he did appear at a City Council meeting in 2002 representing Pov's on 65 and to speak on behalf of the other local bars in regards to 2 AM closing times. He stated that once he learned of the problems and police calls at the Spring Lake Park location in 2014, he locked the doors and closed the location for good.

Administrator Buchholtz inquired as to how this new concept of the bar will be different from that of the previous Andover location that Mr. Povlitzki owned. Mr. Povlitzki stated that the Andover location had over 13 acres and had sports fields and leagues. He stated that most of the police calls were medical related and issues that occurred in the parking lots.

Councilmember Nelson stated that he is concerned with the number of police calls to the Andover location. He stated that although Andover is much larger community and have a larger police presence than Spring Lake Park, he stated that he would be unhappy to have the Spring Lake Park officers responding to numerous calls at the Sota Tap House and Grill rather than assisting to the needs of the residents.

Dana Povlitzki stated that her husband, Brad, ran the Andover location very well and the incidents that occurred were beyond his control. She stated that the new location will be very family orientated and have a heavy emphasis on food and a completely different vision than their Andover operation. She noted that the Andover location was in business for 17 years and had a good reputation.

Councilmember Goodboe-Bisschoff stated that she felt the Andover location was well run and likes the idea of a new use for the existing building, as she does not think it is beneficial to leave it vacant. She inquired as to how much security will be placed at the new location. Mr. Povlitzki stated that he is not proposing any at this time but would add any security if needed at an event or on a given night.

Councilmember Delfs stated that he sees a difference in the two locations and the size of the buildings. He stated that he can see Mr. Povlitzki is sincere in opening a new establishment; however, he does not want to see the Spring Lake Park Police Department overrun with excessive calls and the carryover from the past.

Administrator Buchholtz inquired if there will be any involvement with any of the other family members with this new establishment. Mr. Povlitzki stated that none of the family members will be involved.

Councilmember Nelson inquired if a review period could be placed on the liquor license and if the license could be reviewed at any time. Attorney Thames stated that the all licenses are subject to review and can be monitored during in the license period; however, they can only be denied at the time of renewal once a year. He noted that the the time of authority the City Council has for a liquor license is at the initial issuance.

Chief Ebeltoft inquired if with the new plan would there be musical entertainment brought into the facility. Mr. Povlitzki stated that music would be piped in and, periodically, live bands would be scheduled.

Chief Ebeltoft noted that over 20 police calls were made to the Andover location after it closed and he confirmed that no family members were involved in the establishment. Mr. Povlitzki stated that no family was involved. Chief Ebeltoft stated that the police reports do confirm that Mr. Povlitzki's sister was on the property and is leery as there is inconsistency of family involvement. He stated that his investigation was focused on the Andover business owned by Brad Povlitzki, not on Pov's on 65 operating practices. He noted there was an excessive amount of police calls at the Andover business.

Mayor Hansen noted that she is very concerned with the inconsistencies that have been presented and what she had read in the investigation report. She stated that there is strong circumstantial evidence of his involvement in the Pov's on 65 operation. Mr. Povlitzki explained that his name was listed on the corporation for Pov's on 65 and he had tried to have his name removed from the business checking account but was unsuccessful. He stated that he would sign checks for the utility payments and several rolls for checks for the operation of the Spring Lake Park establishment.

Mayor Hansen inquired if the corporation was now closed. Mr. Povlitzki answered affirmatively.

Mayor Hansen asked Chief Ebeltoft his opinion on the number of calls for service at the location. He stated that his biggest concern is the severity of the calls he stated that there were knifing and felony assaults with injury calls and that is a great concern for him and the Police Department. He stated that he has great reservation on the new business plan. He noted that it is a different business plan, there are a number of similarities to past business practices at the Andover location.

Councilmember Goodboe-Bisschoff inquired on the condition of the interior since the building has been vacant for many years. Building Official Brainard stated that since the building has been vacant for over a year, it is not grandfathered; therefore, it will need to brought up to current code. He stated this could include natural light and mechanical ventilation updates.

MOTION MADE BY COUNCILMEMBER GOODBOE-BISSCHOFF TO APPROVE LIQUOR LICENSE APPLICATION FOR SOTA TAP HOUSE AND GRILL. ROLL CALL VOTE: COUNCILMEMBERS NELSON, WENDLING AND MAYOR HANSEN-NAYS. COUNCILMEMBERS DELFS AND GOODBOE-BISSCHOFF – AYES. MOTION DENIED.

MOTION MADE BY MAYOR HANSEN TO DENY LIQUOR LICENSE PER SECTION 111.17 OF THE CITY LIQUOR REGULATION AND DIRECT STAFF TO DRAFT FINDINGS OF FACT TO SUPPORT THE DENIAL. ROLL CALL VOTE: COUNCILMEMBERS NELSON, WENDLING, MAYOR HANSEN – AYES. COUNCILMEMBER GOODBOE-BISSCHOFF AND DELFS-NAYS. MOTION CARRIED.

B. Authorize Plans for 2018 Sewer Lining Project

Administrator Buchholtz reported that for the past several years the City has completed a sanitary sewer lining project as part of the long-term effort to maintain the city's infrastructure. He reported that the sewer maintenance program has been set up to try to keep the annual lining projects within a cost range of \$200,000 to \$300,000.

Administrator Buchholtz stated that Public Works Director Randall has determined a priority sewer repair area for 2018 lining and has had a sewer televising company complete a preliminary inspection of the sewer lines in the project area.

Administrator Buchholtz stated that proposed 2018 work includes the sewer lines in the eastern and northeastern area of the city. He stated the streets included in the proposed lining area include Plaza Boulevard, Spring Lake Park Road, and Hillview Road. He stated that in addition to lining of the sewer mains, sewer service connection wyes will be repaired where warranted.

Administrator Buchholtz stated that the estimated construction cost of the 2018 sewer-lining project is \$290,000 to \$300,000. He stated that the staff recommends that the City Council order preparation of plans and specifications and authorize bidding for the 2018 Sanitary Sewer Lining Project. He stated that bid results will be presented to the City Council for approval later this spring.

MOTION MADE BY COUNCILMEMBER NELSON TO AUTHORIZE PLANS FOR 2018 SEWER LINING PROJECT. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

C. Authorize Purchase and Order of 2018 Police Squad

Police Chief Ebeltoft reported that the 2018 State Bid contract for Dodge Police vehicles has been awarded to Dodge of Burnsville; he stated that this dealership has been the dealership that the City has utilized to purchase the patrol vehicles since transitioning to the Dodge Charger, V-8, AWD Patrol Vehicles from Ford vehicles. He informed the City Council that the Dodge of Burnsville State Contract Bid #134125 quote cost for the 2018 Dodge Police Charger, V-8, AWD is \$23,612.00. He reported that this purchase price would come in under budget, of the budgeted amount of \$32,646.00, for a savings of \$9,034.00.

Chief Ebeltoft requested authorization to purchase the 2018 Dodge Charger, V-8, AWD from Dodge of Burnsville for the listed price of \$23,612.00 and to place the order as soon as possible.

MOTION MADE BY MAYOR HANSEN TO AUTHORIZE PURCHASE AND ORDER OF 2018 DODGE CHARGER IN THE AMOUNT OF \$23,612.00. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

D. Authorize Purchase and Order of 2018 Police Chief and Investigator Vehicles

Police Chief Ebeltoft reported that Department Heads at the request of the City Council were asked to provide a plan for future capital purchases and as result, a Capital Improvement Plan was developed to assist with making those purchases. He reported that as part of the 2017-2021 Capital Improvement Plan, in 2018, he identified for the Police Department the replacement of the Chief and Investigator vehicles.

Chief Ebeltoft reported that both of these vehicles are 2007 Ford Taurus vehicles with 76,000 to 90,000 plus miles on them. He stated that the vehicles are showing signs of age and effects of the elements of Minnesota winters with rusting of the body.

Chief Ebeltoft stated that since the Police Department started to transition to the Dodge Chargers in 2012 and with service agreements already in place, he stated that he elected to pursue replacing the Chief and Investigator vehicles with Dodge Chargers as well. He reported that under current State Bid Contract #134736 through Dodge of Burnsville, he is able to purchase a Dodge Charger GT AWD vehicle for \$24,314.00. He reported that this purchase price would come in under budget of the budgeted amount of \$36,521.00 for a savings of \$12,208.00 per vehicle.

Chief Ebeltoft stated that he is requesting authorization to purchase two 2018 Dodge Charger GT AWD vehicles for a total of \$48,628.00 and place the order as soon as possible.

MOTION MADE BY COUNCILMEMBER WENDLING TO APPROVE AUTHORIZATION OF PURCHASE AND ORDER TO TWO VEHICLES IN THE AMOUNT OF \$48,628.00. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

E. Approval of Site Development Agreement – Hy-Vee

Administrator Buchholtz reported that City Attorney Thames has concluded negotiating the Site Development Agreement between the City of Spring Lake Park and Hy-Vee for the project located at the northeast corner of Highway 65 and 81st Avenue NE.

Administrator Buchholtz reported that the Site Development Agreement spells out the developer's responsibilities for the construction of the project. He reviewed the summary of the responsibilities. He stated that upon approval of the Site Development Agreement by the City Council and execution of the agreement by the City and Hy-Vee, the document will be recorded with Anoka County.

MOTION MADE BY MAYOR HANSEN TO APPROVE SITE DEVELOPMENT AGREEMENT WITH HY-VEE. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

F. Approval of Utility and Sidewalk Access and Maintenance Agreement

Administrator Buchholtz presented the Utility and Sidewalk Access and Maintenance Agreement between the City and Hy-Vee. He reported that the agreement provides the developer with access to the City's right-of-way for construction of a sidewalk on the property. He stated the sidewalk is available for use by the public and the developer agrees to maintain and repair the sidewalk, as well as plow and maintain it.

Administrator Buchholtz stated that the agreement also states that the sanitary sewer, water and storm sewer infrastructure within the site, up to and including the connection to the City main, are considered private facilities. He stated that the developer is responsible for all maintenance. He stated the agreement spells out the process to ensure a maintenance issue is corrected if the developer fails to cure a maintenance violation.

Administrator Buchholtz reported that the agreement also requires the developer and its successors to indemnify, hold harmless and defend the City from any loss, claims, damages, actions, lawsuits, cost of expenses related to the developer's negligence and/or willful misconduct in the performance of its obligations under the agreement.

MOTION MADE BY COUNCILMEMBER DELFS TO APPROVE UTILITY AND SIDEWALK ACCESS AND MAINTENANCE AGREEMENT. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

G. Hy-Vee Lease

Administrator Buchholtz reported that the approval of the Development Agreement, Sidewalk and Utility Maintenance Agreement and Final Plat for the Hy-Vee project, staff is anticipating the closing on the City's property at 8101 Highway 65 NE to occur on or before January 25, 2018.

Administrator Buchholtz stated that City staff is in the process of liquidating the inventory and fixtures at Central Park Liquor. He stated that process will not be complete at the time of the real estate closing. He stated that Hy-Vee has proposed a short-term lease to allow the City to continue to use from the property until April 30, 2018.

Administrator Buchholtz stated that the term will be the effective date through April 30, 2018 and the monthly lease rate is \$1,750.00/month. He noted that the City will pay during the term for (a) all utilities furnished to the Premises, (b) real estate taxes allocable to the Premises (negligible because the property is tax exempt), and (c) the premium for the liability and property insurance as outlined in the agreement.

Administrator Buchholtz stated that due to the fact the closing on the real estate will occur before the next City Council meeting on February 5, 2018, staff is asking the City Council to authorize the Mayor and City Administrator to enter into the lease, subject to the lease's approval by the City Attorney. He stated that if the terms are materially different than what are outlined as above, the City will bring the lease back to the City Council for subsequent approval.

Councilmember Delfs inquired how the lease would affect the liquor store employees, as their labor contract is effective until March 31, 2018. Administrator Buchholtz stated that the store will be liquidated by that date and only fixtures will remain. He stated that there are two full time employees that the part time staff would not be needed.

MOTION MADE BY COUNCILMEMBER NELSON TO AUTHORIZE THE MAYOR AND CITY ADMINISTRATOR TO ENTER INTO LEASE WITH HY-VEE AS PRESENTED. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

12. Engineer's Report - None13. Attorney's Report - None14. ReportsA. Administrator Reports

Administrator Buchholtz reported that on Saturday, June 2, 2018 the City of Spring Lake Park will be teaming up with other local cities to host Fix-It clinics for small appliances in efforts to help promote recycling. He stated that residents will be able to bring in small appliances in need of repair and volunteers will assist in trying to fix the appliance.

15. Other


Councilmember Goodboe-Bisschoff reported she attended the North Suburban Hospital District Board meeting and the Coon Creek Watershed meeting in the month of December.

16. Adjourn

MOTION BY COUNCILMEMBER WENDLING TO ADJOURN. VOICE VOTE: ALL AYES. MOTION CARRIED.

The meeting was adjourned at 9:10 PM.


Cindy Hansen, Mayor

Attest:

Daniel R. Buchholtz, Administrator, Clerk/Treasurer